

Press-Herald

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A Helping Hand

While sociologists ponder the phenomenon of "non-involvement," Torrance residents give freely of their time and money to help another.

It looked pretty grim for Mrs. Alice B. Miemeyer Thursday when storybook villains in a black sedan—one sporting a moustache—grabbed her purse as she was about to enter a drugstore at Del Amo Center. The 73-year-old Medi-Care patient was carrying her last \$28, money badly needed to purchase medicine for her husband.

Two witnesses risked their own safety to pursue the sedan in unsuccessful attempts to obtain the license number. Other passersby took up a collection which turned out to be more than enough to pay for the couple's medicine.

One woman even took the time to drive the victim home.

In an era when headlines spotlight crime and accident witnesses who just pass on by, it is heartwarming to know Torrance citizens don't turn their backs on another person in distress.

Opinions of Others

Can any thoughtful person reasonably believe that a disorderly society can survive? In all recorded history, none ever has. . . . History shows that every society which became lawless soon succumbed, and that the first evidence of each society's decay appeared in the toleration of disobedience of its laws and the judgment of its courts.—Argo (Ill.) News.

That the use of marijuana is growing is apparent. U. S. Customs officials seized a record 26,000 pounds last fiscal year, twice as much as in the previous 12 months.—Everett (Wash.) Herald.

We're fascinated by a report that a "lack of definitive management process" in the Community Action Program headquarters at the Office of Economic Opportunity (OEO) caused "considerable inefficiency and persistently frustrated regional personnel."—St. Albans (Vt.) Messenger.

Morning Report:

If Ho Chi Minh has any notion to negotiate, I suggest he not wait until Captain Charles Robb, USMC and LBJ son-in-law, reports for duty over there in four months. Because his arrival is going to mark a new stage in the war.

It's going to make General Westmoreland as jumpy as a cat and cats are notoriously poor negotiators.

The General's job, never a very easy one, is going to get much worse. Look what he's going to be up against. If Captain Robb draws a quiet sector, Westmoreland will be accused of favoring the President's newest relative. But if the Captain finds himself in the thick of the shooting, he's going to be supported by the damnest air cover and rolling barrage ever seen in that part of the world. And nobody in Washington is going to deny the General anything he wants.

Abe Mellinkoff

SACRAMENTO ROUNDUP

Withholding Tax Plans, Proposition 14 Beaten

A roundup of the year's activities in Sacramento continues:

JUNE: Assembly Democrats turned down a plan to substitute prepayment of income taxes for withholding. The State Supreme Court ruled Prop. 14 from 1964, outlawing the Rumford Housing Act, violated the federal constitution. The Assembly passed a \$5.154 million budget and the first hearing of Governor Reagan's tax bill was held in the Assembly. Reagan said an investigation of charges that the level of services had been reduced at Sonoma State Hospital showed they were unfounded. The Senate killed a bill to remove appointment of inheritance tax appraisers from the state controllers.

The threat of flood from unseasonal spring snows was receding. The Alcoholic Control Appeals Board ruled that topless shows were illegal but revocation of a liquor license for such an offense was too much. The Department of Parks and Recreation abolished a 20-year-old rule prohibiting dogs from staying overnight in state parks. An Assembly-passed bill ending the automatic \$65,000 automatic appropriation for county and district fairs was killed in the Senate.

JULY: Governor Reagan vetoed 53 items from the \$5.126 billion budget passed by the Legislature, totaling \$43.5 million. A petition was issued for signatures for a Reagan recall action. Reagan made a flat statement he would veto a bill providing for payroll withholding of state income tax. The govern-

AUGUST: The Legislature finally adjourned on Aug. 6 (technically, the date was Aug. 4, but they worked two days with the clock stopped). Governor Reagan had signed 1,000 bills into law. In the closing hours, a compromise bill to modify the Rumford Housing Act was killed in the Senate. State Treasurer Ivy Baker Priest said the state owed a \$4.2 billion in bonded indebtedness.

A Special Roundup of State News in 1967

nor signed into law the bill granting additional horse racing dates and legalizing night racing for the first time. William Penn Patrick announced himself out of the 1968 U.S. Senate race, pledging his support to Dr. Max Rafferty.

Medi-Cal costs were reported to be running above the budget. A primary election to fill the vacancy in the 11th Congressional District was held with Judge Milton Marks, Republican, former Assembly, and Assemblyman John L. Burton, D-San Francisco, winning party nominations. Final approval was given to the bill prohibiting carrying loaded guns in public. The attorney general said operations of the 22nd District Agricultural Association in San Diego, in connection with leasing of Del Mar racing facilities,



HERB CAEN SAYS:

City 'Builders' May Be Our Most Dangerous Foe

"I can't think of a building I've put up that's one-tenth as beautiful as the one I had to tear down to make room for it."

Speaking was one of San Francisco's most successful builders, a veritable Maharajah of Eyesore. He spoke mournfully, and you half expected him to add, as in an old movie melodrama, "Stop me before I kill again!" But kill again he will, and so will all his confreres in the "building business."

I thought about the Maharajah of Eyesore's words again just the other day, as I watched the wreckers go to work on the old Halls of Justice on Kearny. Here again we have a building that was not particularly old—slightly more than 50 years—but even in its death throes, it has a somber Florentine magnificence impossible to duplicate. To San Franciscans of my gen-

eration, it is/was a storybook building, alive with tales of violence, echoing with the arguments of lawyers dead and dying, redolent (especially on a wet-foggy night) of sirens and screams.

The most dangerous man in town may well be our Maharajah of Eyesore. If so, the most dangerous wom-

Report From Our Man In San Francisco

an must be Flora Crane. I mean the Flora Crane Co. and all her sisters in the heavy equipment business whose instruments of destruction are killing The City That Was—and what a city that was, think you not to the contrary. Day by day, the concrete evidence is being ground to rubble, even when the evidence was as undistinguished as the derelicts that disappeared so that Fifth St. can eventually cross Market. But if anybody cares to know where Painless Parker got his start, the address is now gone forever. Don't laugh: Painless Parker was an historic figure, too, and his parents slept there, even if Washington or Lincoln didn't.

Miss no opportunity to walk through the Flood Building lobby with its massive pillars and great lanterns, its marble floors and polished mailbox; it was built to last forever, but it won't. When you look at the gilded and crystal magnificence of the Sheraton Palace's Garden Court, look twice, for you will never see its like again—not in this city, not in this lifetime. You may even start worrying about the Gerry Tower: Its clock has stopped already and its days are numbered. Faster and faster the city changes, and the people in it; those who never heard of the Monkey Block or the Slot can't tell you where Goat Island is, either. Soon, it will be new, bright, shiny and soulless—and then the legends will be gone forever, ground to dust by the relentless jackhammers.

A conversation of our time: Frank Lange, the San Jose insurance man, was on the beach at Pacific Grove last weekend, getting some sand for the family cat's box. As he was industriously spooning sand into a large paper bag, a hippie who had been watching with unfeigned interest said: "Hey there, Dad-type, are you making the scene in Childhood Two?" "Cool it, Flower-type," re-

plied Frank, "I'm just doing my thing." Now then, a fanfare for San Jose, who produces hip insurance types.

Add infinitemes: Fred Reeve, the former stockbroker who now runs Just Fred's in Belden Place, is back from Nairobi, where he bought the riverboat called "African Queen," featured in the classic movie of the same name. He plans to sell it, with all proceeds going to the Cancer Society. . . . Melvin Belli is dropping his skull-and-crossbones flag at the mourning position over his Monty. St. headquarters today after losing his \$100,000 suit against Desi Arnaz, mainly because of Jimmy Durante's pro-Desi testimony. "Cross-examining Durante," sighs Belli, "is like assaulting Whistler's mother" . . . Greg Hoffman knows why we aren't hearing much about Twiggy these days: "When the pound was devalued, she disappeared" . . . A sign outside Gilbey's bar on Powell street proclaims "Topless Luncheon Featuring Stewed Clams," and why does that sound so unappetizing?

Note from an Army pilot (a San Franciscan) stationed in Vietnam, referring to a recent item in this column: "You're right, 'We Gotta Get Out of This Place,' recorded by The Animals, is very big with the troops here. BUT they won't play it on the Armed Forces Radio Network in Vietnam. Maybe they think it will demoralize all of us who are fighting to keep the VC out of L.A."

Alan Grey Says . . .

A new year is beginning . . . Our work has just begun . . . Let's profit from our past mistakes . . . Yet hold the ground we've won. We've had some trying moments . . . And others that were great . . . And life won't be much different . . . In this coming Sixty-eight. But set yourself a goal . . . Of what you want to do . . . Then make a real effort . . . To see your goal through.

BABSON REPORT

Soaring Service Costs Push Cost of Living Up

(Continued from Page A-2) tensified during the first half of the new year, with advances tapering as autumn approaches. Over-all, we look for another increase in living expenses of over 3 per cent . . . and it would not surprise us if the toll should rise to the 4 per cent level. The "bad boys" will continue to be soaring service costs—especially medical—and upsurges in transportation and finished-goods tags. Food may inch up a little more as processing costs mount further; but prospective plentiful supplies will act as a controlling factor.

28. Total cash receipts from farm marketings should advance moderately over figures for 1967; however, the relentless up-push of costs will take its toll, and farmers' net income will do well to improve even slightly . . . notwithstanding some relief from higher government payouts. Large marketings promise to restrain cattle quotes and hold this source of farm income in its recent low profitability groove. Meat prices, however, propped by bulging expenses, will be well maintained to firmer for the year. The consumer with storage facilities may benefit from time to time by watching carefully for sales and taking advantage of any buying opportunities provided by occasional runs of cattle fed to extra-heavy weights. Apparent determination by growers to cut back on poultry output threatens to deprive the housewife of one of her most prolific sources of reasonably priced meat.

29. Real estate will be a many-sided market in 1968. Prices for single-family homes will continue to advance as construction fails to satisfy rising demands and as all building costs move higher . . . particularly during the first half. Demand for rentals in the middle and lower brackets will gain steadily; however, ability to satisfy these needs will be severely hamstrung by even more costly and scarcer mortgage money. Speculative purchases and the salability of vacant property—especially that in less desirable areas—will suffer from the drying-up of funds to carry such parcels. Broadly, the betterment that set in during the final six months of 1967 will probably not be maintained long in 1968.

30. Higher pay scales, the effect of recent increases in total money supplies, bigger social security outlays, and further advances in disposable income promises to give very strong support to retail trade during the early months of 1968 and for some time beyond. Only minor shadow is the evident reluctance of consumers to go as heavily into debt as in recent years. The purchasing power will be there, and only an optimistic shift in consumer attitudes will be necessary to ring up record sales gains—maybe 8 to 10 per cent—at least during the first half-year. Later, efforts of the Administration and of the money managers to cool the inflation through taxes and cutbacks in government spending may slow the rate of retail upturn.

31. The trend in recent years has been toward a dwindling margin of U. S. exports over imports. This has come at a bad time for our chronic condition of imbalance in our international payments position. Devaluation of the pound and other currencies has hurt our ability to expand exports at a crucial moment for our balance of payments. Great hope for us in 1968 is that European nations that have been in a business slump will enjoy recovery . . . making a better market for our products there. We forecast that our government will discuss, and perhaps implement, export subsidies during the year ahead.

32. Current talk of the possibility of an even "hotter" summer ahead in our racially imbalanced big cities should be discounted. Preparations already made

and in the making should reduce the danger of the firestorms suffered in 1967. We feel that real advances have been made through the ballot box in major mayoralty elections. Another hopeful sign is the rising trend toward responsibility for bettering conditions on the part of businessmen and the private sector. We are willing to stick our necks out and predict that the summer 1968 will not be as "hot" as was 1967's.

33. However, we are not optimistic in the course crime is pursuing. Recent reports indicate that Americans will be in even greater danger of being murdered, maimed, or robbed in 1968 than in 1967 (a frightening one out of 44).

34. Money pressures—from lessened availability and higher cost—point to lowered liquidity next year . . . with an attendant increase in bankruptcies, more difficult collections, and rising foreclosures.

35. We anticipate a year of rapidly shifting attitudes toward the stock market and toward groups of stocks and individual issues. Early-year upswing in business and selectively higher profits—combined with a liberal supply of money following the Fed's huge outpourings in 1967—should pave the way for further progress by the popular stock averages. Later, as the battle against inflation intensifies, the stock market may become subject to a painful reassessment.

36. A year ago we predicted that in 1967 the "old aristocracy of the blue chips based on past performance" would "be replaced by a new aristocracy of superable management based upon hopes of good future performance." Now it looks as if many of the issues representing concerns with super-able forward-looking managements have just plain become overvalued in the market place. We believe it will be unwise in 1968 to chase after such.

37. As a consequence of the developing money squeeze, high-quality (only) bonds of long maturity—both taxable and nontaxable—should provide excellent long-range investment opportunities for those seeking income during the first half-year.

38. If we are correct in the above assumption—we cannot be far wrong in predicting that the better electric-utility common stocks may also prove to be outstanding purchases for long-term growth.

39. Among the "old aristocracy of the blue chips" there are a number of industrial areas that have been pounded down in price to a point where real solid substance is clearly visible. One such group is the chemicals. The old-line major companies here—ones that enjoyed a great bull market in the 1950's—may be in a buying range during 1968.

40. Still not among today's much-sought-after "performance" stocks . . . the big multiple-risk insurance concerns represent another type of equity investment that could well afford high opportunity over an extended period of time to those who have the courage and foresight to pick them up when they have few friends. And they may have more "glamor" than many think . . . as they are showing a developing trend toward "conglomerating."

41. Another group that could reach long-term buying levels next year is banks. Although their profits are up now, they have not been popular. The reason: Every period of money squeeze raises doubts as to the degree of "wringing out" that bond portfolios and loans will have to take when money passes its crisis. That time may come during 1968.

42. High money rates have raised havoc with the prices of many of the large finance company stocks listed on the N. Y. Stock Exchange. Some of these have broad holdings in other lines; yet they are selling close to their "cellar" lows.

When money rates froth up and crest over next year—as we predict—a good investment opportunity will be presented in this group.

43. It seems almost a foregone certainty that auto production will soar . . . when the strike-struck plants finally get back to work. For a while then there might develop a speculative wave in these issues. But we predict it would be unwise to chase after auto stocks on any great early-year strength. They are cyclical in nature, and may experience some rough going during the upcoming battle against inflation. We think there are better opportunities in strongly situated aggressive merchandising outlets.

44. Despite pressures to cut back on spending next year, there will be a renewed flare-up of the anti-ballistic-missile scare. Look for additional appropriations to build a thicker shield than the thin one proposed by Mr. McNamara. This flap will be accompanied by a renewed buying wave in stocks associated with the program.

45. When discussions on inflation get into high gear in 1968, attention will again be focused on ways to "protect" against it. You will be told to buy stocks as a hedge. But remember then that stocks go up because their earnings climb, not because they are a "hedge against inflation." We predict that many will find to their sorrow that stocks hastily bought as inflation "protection" had no such mystical value.

46. There will also be a great buzzing in the coming months about gold stocks as a way to make money out of a dollar jump in the price of the precious metal. The devaluation of the pound caused a big rush into gold stocks. Since the dollar will not be devalued in 1968, we warn recent purchasers of such issues that they may have losses for a long time; although they may be right on some distant day, not next year.

47. We predict that a number of huge international concerns with shares traded in the U. S. and not subject to the interest-equalization tax—particularly those that do a big business with the "hard money" nations of the European Common Market—may do better than gold stocks during the year now opening.

48. War issues—so-called defense stocks—may not do so well in 1968 as equities of those concerns that will benefit from an end to the war buildup. Do not get "locked into" war stocks . . . simply because they boast high current profits and order backlogs.

49. Building issues are excellent examples of peace stocks. They look a little high now following 1967's recovery in home building; however, we predict that when the money pressure gets intolerable sometime next year, there may develop another opportunity to get into building equities with an eye to future substantial gain after the Viet phase-out.

50. In conclusion, under the stimulus of the Fed's 1967 "money bath"—and spurred by heavy strike-catchup output and strong activity to hedge against coming labor stoppages—business could soar during some of the early months next year. Gross National Product and the Fed Index of Production will both advance smartly. Sooner or later, however, the government will have to beat back the onrushing inflation. We do not believe that the American people will stand by and see their great country scuttled. And when the money managers stem the money flood—and the Administration and Congress shrink the budget deficit—the upthrust of business and profits will be curbed. This may not be so pleasant for a while. It could be downright unpleasant. But it will surely hold far greater promise for a longer and sunnier tomorrow.